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Process Evaluation of the Implementation of the Job Training Partnership Act: Phase 2. SDA Field Research Report

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PROCESS EVALUATION OF THE IMPLEMENTATION
OF THE JOB TRAINING PARTNERSHIP ACT

Phase 2. SDA Field Research Report

Due: August 1, 1984

Associate: H. Allan Hunt

SDA: Grand Rapids/Kent County

Please send one copy of this report to:

Dr. Robert F. Cook
Westat, Inc.
1650 Research Boulevard
Rockville, Maryland 20850

You should also retain a copy for yourself.

Note: In order to facilitate the analysis, your report should be made on this report form. Wherever necessary, you should insert continuation sheets in the report form. A supply of continuation sheets is appended to the report form. Please make additional copies if you need them.

Introduction to the Report Form

The general purpose of the two-year study is to identify and assess the major organizational, administrative, and operational processes and problems relating to implementation of Titles I, IIA, and III of the Job Training Partnership Act (JTPA). Key JTPA elements include more State control, changed Federal role, private sector partnership, focus on training, closer coordination between employment and training service deliverers, a dislocated worker program and a performance-based system with placement and cost standards.

This Report Form covers Service Delivery Area (SDA) level observation in Phase 2 of the study of JTPA implementation. It is the first full observation of SDA level programming and draws heavily on the results of our Phase 1A initial observation in February and March. There are several topics of interest in this observation: relations with the State; the services provided and the eligible population targeted by the SDA; Title III programming in the SDAs; and the coordination of Titles IIA and III activities. We are also interested in identifying any problems that would be of interest for policy purposes at this point in the implementation and in allowing a further examination of potential problem areas that surfaced in the earlier phases of this study.

This Report Form has six sections:

- Part I SDA Organization
- Part II Title IIA Programming
- Part III Title IIA Service Mix and
Participant Characteristics
- Part IV Title IIA Performance Standards
- Part V Title III Programming
- Part VI Other Implementation Issues

Part I examines the organization of JTPA at the SDA level, the designation of the grant recipient and administrative entity, the role of the PIC and particularly its private sector members and the relationship with other organizations. Part II covers the selection of the target groups and issues surrounding the implementation of Title IIA. Part III is concerned with the kinds of services provided to Title IIA participants. Part IV examines the performance standards in place in the SDA, the effects of these standards on Title IIA programming and the use of performance based contracts and their relationship to the overall performance standards. Part V examines Title III programs operating in the SDA as well as the coordination of Title IIA and III programs. Part VI covers miscellaneous implementation issues and offers an opportunity for you to provide an overall assessment of the operation of JTPA in your jurisdiction.

Please complete your report on this Report Form. When it is completed, make a copy for yourself and send the original, by August 1, 1984 to:

Robert F. Cook
Westat, Inc.
1650 Research Boulevard
Rockville, Maryland 20850

If you have any questions, please call me at (800) 638-8985 or (301) 251-8239.

The following table summarizes the time period corresponding to the various abbreviated FY and PY designations. Please make sure that your use of them corresponds to this schedule.

FY83	Oct. 1, 1982 - Sept. 30, 1983
Transition year	Oct. 1, 1983 - June 30, 1984
PY84	July 1, 1984 - June 30, 1985
PY85	July 1, 1985 - June 30, 1986

A further complication is that appropriations still follow the fiscal year schedule. For example, funds for PY84 and PY85 were included in the FY84 (Oct. 1, 1983 - Sept. 30, 1984) budget.

As a final note, for a number of reasons that relate to protection from legal and other problems for you, us, your jurisdiction, and the people you talk to, your report should be considered confidential to the study. Any inquiries regarding your analysis should be referred to Westat. You may assure the people you talk to that no views or assessments that are given to you or reported to us will be identified with any specific jurisdiction or individual and no administrative (e.g., compliance or audit) use will be made of your report. This should not be interpreted as preventing you from expressing your opinion as an individual or from providing feedback to people you interview in the course of the study.

Bob Cook
Project Director

INTERVIEW LIST

Name	Title
Michelyn Pasteur	Executive Director GRAETC II
Richard Buth	County Board of Commissioners Kent County
Sharon Worst	City Commission City of Grand Rapids
Hal Roy	Chairperson, Private Industry Council
Charles Bearden	Development and Oversight Coordinator GRAETC II

Part I. SDA Organization

1. How is this SDA organized? Who is the grant recipient, the administrative entity? What organization actually runs the program? (Associates in SDAs observed in Phase 1A please provide a short synopsis and note changes.)

Question 1

The grant recipient and administrative entity for the Grand Rapids/Kent County SDA is the Grand Rapids Area Employment and Training Council II (GRAETC II). GRAETC is a Michigan Council formed in accordance with the Urban Cooperation Act of 1967. It is a legal entity formed by the two governmental units involved, and is a successor to GRAETC I formed under CETA. The Private Industry Council and the Local Elected Officials govern the program through the administrative agent and GRAETC provides staffing for all functions. There have been no changes in GRAETC since the Phase 1A Report. However, with the new program year, the chairmanship of the GRAETC LEO Board has moved from Richard Buth, chairperson of the Kent County Board of Commission, to Gerald Helmholdt, Mayor of the City of Grand Rapids. This is a normal rotation and it can be anticipated that Mr. Buth will succeed Mr. Helmholdt next year, assuming he is still a member of the Kent County Board of Commissioners.

Major Analysis Question

2. What is the nature of the relations between the State and the SDA? Is the SDA receiving guidance from the State on what is or is not an allowable use of funds, etc.? Phase 1A included several suggestions that the State is the new "Federal Regional Office." Please separate administrative from policy issues and discuss any conflicts that have arisen.

Question 2

Relations between the State of Michigan and the Grand Rapids/Kent County SDA are very good. The Grand Rapids/Kent County SDA is regarded as one of the most successful programs in the state. The SDA has been receiving guidance from the state on what is or is not an allowable use of funds, but they seem to welcome this guidance. When I suggested to the Executive Director of GRAETC that perhaps the State was acting as the new "Federal Regional Office," she professed ignorance at the meaning of my question. In fact, she claimed that she never sees either one, so she didn't really know what a new Federal Regional Office might do. To my knowledge, there have been no conflicts thus far between the State and the SDA.

It should be noted that the SDA staff in Grand Rapids/Kent County is highly experienced, having been in place for the duration of CETA. Similarly, the State Department of Labor staff who administer the 78 percent Title IIA funds (Bureau of Employment and Economic Development) are also very experienced. With these established players, conflict is not likely, absent some major change in program direction, which has not occurred in this SDA.

It might be mentioned also that there is a potential issue for conflict over disallowed costs. The State has informed the SDA's that they do not regard failure to achieve the youth expenditure level as a basis for disallowed costs. GRAETC is depending upon this interpretation, and is expecting the State to pick up any disallowed costs in the event of a contrary federal determination. Clearly if there are disallowed costs by the Feds, GRAETC could have a substantial conflict with the State of Michigan.

3. Please indicate the composition of the PIC (current) and characterize its role relative to that of the local elected officials (LEO) as primary, co-equal or purely advisory in the determination of the Program Year 1984 plan. Phase 1A indicated that most PICS were advisory but suggested that their role might increase as plans for PY84 were laid. Does this PIC have its own staff?

Question 3

Of the 23 members of the PIC, 13 are from the private sector including the Chairperson and the Vice Chair (See Attachment 1). Two representatives from organized labor, two representatives from education, two representatives of CBOs and four local government representatives complete the roster. I would say the PIC was primary in the determination of the program year 1984 plan relative to the LEO. The LEO depends heavily on the PIC to provide assurances that the program is operating in accordance with law and with good business practice. The role of the PIC did increase in the PY84 planning cycle, but this seems to have been at the expense of the administrative staff more than anything else. The PIC does not have its own staff but depends entirely on the administrative staff at GRAETC. The LEO in this SDA is surprisingly unconcerned about program issues, including liability for disallowed costs.

4. A number of Associates indicated in Phase 1A that an appropriate and continuing area for inquiry was the relations between the PIC and the agency that staffs the PIC or operates the program with regard to policy setting and monitoring and evaluation versus day-to-day administration. Please discuss this issue as it applies in this SDA.

Question 4

As indicated in question 3 above, the PIC was more active and assertive in the PY84 planning cycle. This reflected the fact that the transition year planning did not allow sufficient time for the PIC to make a full review. The PIC has little interest in day-to-day administration but is providing a strong hand at the policy setting level. Monitoring and evaluation were to be handled by a PIC committee, but a reorganization during program year 84 will lead to member subcommittees of the PIC having overall policy guidance and monitoring responsibility for particular program sections. It is anticipated that this will lead to deeper involvement in the program by PIC members.

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as of July, 1984

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JE
6/29/84

5. Phase 1A suggested that private sector influence was only beginning to evolve and that the time and effort expended in learning the complexities of the program and how to deal with public agencies were substantial. There was some suggestion that their interest might decline. How has private sector PIC influence evolved in this SDA? How many of the private sector members were on the CETA Title VII PIC?

Question 5

The private sector PIC influence has continued unabated in this SDA. The area is very conservative politically, and there is general agreement that private sector dominance is appropriate. The LEO has the very strong opinion that the private sector people will keep the program on the straight and narrow and save the LEO a great deal of trouble. On the other hand, everyone remarked how the strong PIC influence in the past has depended rather heavily on a few individuals. Whether similarly motivated individuals will continue to step forward may be a question for the future. The PIC chair comes from a rather small manufacturing firm and all interviewees expressed amazement at the time and dedication he has brought to his role.

The PIC Chairman himself is concerned about the possibility of flagging interest among private sector members. That is one of the major reasons for the reorganization of the PIC committee structure reported above. The reorganization provides for three committees with seven people per committee, plus the Chair and Vice Chair in each case. These committees will have planning and oversight functions for IIA programs, youth programs, and special programs, respectively. The PIC Chair feels that deeper involvement in the program will increase the level of participation and motivation on the PIC. Only two of the private sector members had previous CETA Title VII experience.

6. What services does the local ES and/or the State ES provide to this SDA? What is the source of funding for these services (basic Wagner-Peyser (7a), JTPA 78 percent Title IIA, Title III, JTPA Title IIA set aside money, Wagner-Peyser 10 percent set-aside (7b) money, other sources)? If there will be changes from the Transition Year to Program Year 1984, please note them.

Question 6

The local ES continues to run an OJT Program for the Grand Rapids/Kent County SDA. This is funded from JTPA Title IIA funds as in the past. The program has the same basic shape and roughly the same amount of funds committed as it had last year. The SDA maintains its own central intake for JTPA and other programs; however, there is cooperation with the local ES office in the form of referrals back and forth.

The State ES provides the labor market data for this and all other SDA's in the state of Michigan. This includes SDA specific occupational employment forecasts for the year 1990. The Michigan Employment Security Commission (MESC) has traditionally occupied the position of labor market intelligence agent for the state. As reported in earlier rounds, when JTPA was enacted MESC got in very early to serve the needs of the newly reconfigured SDA boundaries. Since these did not parallel the labor market area designations in all cases, this sometimes involved substantial retabulations of existing data bases. The funding for this activity is not clear. Most of this was done very early in the JTPA start-up and I believe the funds came from the employment service coffers. Some of the Wagner-Peyser 10 percent set aside money is now, I believe, being channeled to the MESC Research and Statistics Operation. There are no substantial changes from transition year to program year 1984 in ES-SDA relationships.

7. The PIC and the Local Elected Official (LEO) in each SDA have new roles and powers with respect to approval of the local ES plan for the SDA aside from the JTPA portion of the plan. Please discuss the type and degree of PIC involvement in this review process. How do the PIC and key PIC actors view their roles in this process? How would you characterize the attitudes, role, or actions of private sector PIC members with respect to consideration of this plan?

Question 7

Attachment 1A is the MESC/SDA agreement. It is included in the GRAETC annual plan. I doubt that there was a serious review of the local MESC plan by the PIC. The PIC chair is a friend of MESC at the state level, and the relationship appears very solid. The MESC member on the PIC prepared the MESC local plan for the SDA. All things considered, I would say that the PIC and the local MESC people are very close.

8. What is being done in this SDA concerning followup of program participants for program evaluation (monitoring) purposes? If follow-up is being done is a sampling procedure being used? What is the time period of the follow-up? In your judgement, are the procedures in place adequate for the intended purpose?

Question 8

GRAETC has been conducting follow-ups on program participants for the last five years. It is reported that this is initiated 30 and 90 days after termination for those entering employment. The training agencies conduct this follow-up themselves. Information gathered includes employment retention rate, wage gain, and qualitative questions. Attachment 2 shows the form used for these follow-ups. Indications are that these data are available on computer tapes, and special tabulations would be completed upon request.

In my judgment, the procedures in place are adequate for the intended purpose which is to comply with requirements of the law and to indicate a willingness to subject the program to evaluation. There is not, in my opinion, a genuine interest in follow-up data for program design purposes.

SECTION G - MESC/SDA AGREEMENT

ES/SDA PLAN

ES/SDA Plan For Period: 7/1/84 - 6/30/86

Plan Prepared By: June R. Cotton

I. Identifying Information

A. SDA Number and Service Area:

SDA #10 - Kent County

B. <u>Name and Type of Location</u>	<u>% of Workload in SDA</u>	<u>Manager</u>
Grand Rapids Branch Office 43	100%	Lyle D. Milligan
Wyoming Branch Office 44	97%	Linda L. Woods

C. District Manager Involved: June R. Cotton

D. PIC Representative and Alternate:

June Cotton, Representative
Linda Woods, Alternate

Work Test: Michigan Employment Security Act.

Mandates the provision of registration and referral services to individuals receiving unemployment compensation as a condition for their continued eligibility for compensation

Services to the Handicapped: The Wagner Peyser Act. Section 504 of the Rehabilitation Act of 1973.

Mandates parity of service to all handicapped individuals seeking the services of the public employment service.

Service Definitions:

Following are definitions of the basic services discussed in Section II - Narrative, and Section III - Levels of Activity.

Registration

The act of officially recording on an MESC application a person's qualifications and availability for referral to job opportunities, training, and/or employability development services.

Entered Employment

A total of those individuals who have secured their own employment after having been provided a service by MESC such as counseling, job clubs, or employability planning (obtained employments) and those who were referred by MESC to employers who have placed job orders with the agency (placements).

Referral

The act of sending to an employer, in response to a job order, a qualified individual who has registered with MESC.

Counseling

Process whereby an employment counselor and an applicant work together so that the applicant may gain a better understanding of him/herself and a knowledge of the world of work to more realistically choose, change or adjust to a vocation.

Testing

Administering, scoring, and interpreting a test which is a standardized means of measuring an individual's possession of, interest in, or ability to acquire job skills and knowledge.

Performance/Selection Tests - Device to measure skill or knowledge that a person has acquired in an occupation such as typing, dictation, spelling, etc.

Aptitude Test Battery - A combination of tests used to measure potentiality for acquiring one or more occupational skills.

Job Search Workshop

A short seminar designed to provide participants with job-seeking information that enables them to find employment. Topics include, but are not limited to, labor market information, application completion, resume writing, interviewing techniques, and job lead identification. This group-work approach must involve a minimum of six hours of classroom instruction and activities.

Job Finding Club

An organized method of job search that assists groups of ES applicants in improving their proficiency as job seekers. Job Clubs encompass all the elements of a Job Search Workshop plus a period (1-2 weeks or more) of structured supervised job search activity.

Targeted Jobs Tax Credit

A federal tax credit provided for employers who hire individuals belonging to one of the eligible categories and have been certified as eligible prior to the day the individual starts work.

Job Development

Process of contacting an employer in an attempt to develop an employer order for a specific applicant when there is no opening in the branch office for which the applicant is qualified and interested.

Job Information Service (JIS)

An area within an ES branch office where applicants, primarily on a self-serve basis or with minimum professional help, can obtain specific and general information on where and how to get a job. Applicants, for the purpose of self-screening, are given access to job orders on which employer identifying information has been suppressed. Upon selection of a job order, applicants are further screened by interviewers to determine suitability of qualifications prior to referral.

Self-Registration

A process in which a group of applicants complete ES registration forms under the direction of a single interviewer.

INTRODUCTION TO LEVELS OF ACTIVITY

Derivation of Figures

The data listed in Section III. Levels of Activity, are compiled from LSARS (Employment Service Automated Reporting System) statistics. The LSARS system is a federally developed reporting system utilized by employment service branch offices nationwide to report their activities. Data are fed into this system via the various reporting forms used by the branch offices to report applicant characteristics and the services provided to applicants. Examples of these forms are the applicant registration form and the job order form. The information in the LSARS system is aggregated to indicate total activities and also services provided to various applicant groups.

Current figures

Each branch office's figures were pulled from the LSARS microfiche of September 30, 1985, which provided cumulative figures for fiscal Year 1985. In some cases, LSARS data do not accurately reflect the activities of the branch office due to the fact that not all data have been entered into the system. In these cases, branch office management has adjusted the figures to better indicate the actual level of services which have been provided. Each branch office's total FY'85 figures were then multiplied by the percent of its workload in the SDA, as shown on Page 1, Item I-B, of this plan. The resulting figures for each branch office in the SDA were added together to come up with figures which reflect the total activity of Employment Service branch offices within the SDA.

Projected figures

The Projected figures column represents the two-year program period of July 1, 1984 through June 30, 1986. These are projections of the current figures which are based on each branch office's estimate of activity for the two-year period listed. Factors which were considered in making these projections include: Unemployment rate, economic conditions, branch office goals, branch office emphasis on special programs, and other variables which may be specific to certain geographic areas.

Descriptions of Categories

A description of the activities is provided in the Introduction to Narrative.

The total Active File is a term which describes the number of applications in the branch office active file at any given point in time. In this context, it is the average size of the file during the period. This figure is not derived from LSARS, but rather is an actual or, more likely, an estimated count of the number of applications in the active file.

In each category, the total figure is not a cumulative figure of the groups listed, since individuals may be included in more than one group.

II. Narrative

Economic Conditions

Kent County is an urbanized, industrial county providing employment for about 223,900 persons in October, 1983. The civilian labor force was estimated at 251,500 with an unemployment rate of 11%. The county's two largest cities, Grand Rapids and Wyoming, had unemployment rates of 13.1% and 9.6% respectively. We expect a moderate improvement in employment through the rest of Fiscal Year 1984. With the exception of some seasonal downturn, we expect employment to continue to improve at the 1984 rate. Much of the additions in employment will be due to call-backs and not from new hires or through new entrants into the labor force. Recovery will be centered in the manufacturing area.

Applicant Services

The Grand Rapids and Wyoming offices have streamlined their employment service operations so that the interviewers will have more time to spend selecting qualified Job Service applicants to refer on job orders that have been submitted by employers and in contacting employers to develop a job for an applicant with specific skills that are known to be demanded by that employer. The applicant service will be concentrated more in self-registration and the job information service improvements. The applicant will have access to available jobs through a current list of job openings under the supervision of an interviewer.

We will continue to process Targeted Jobs Tax Credit vouchers for eligible applicants, develop work search plans for individuals claiming Unemployment Insurance benefits, provide employment counseling to individuals who require guidance in making a change in occupation or securing appropriate vocational training. We anticipate the number of people who find jobs after receiving one of these services will increase by 10 percent in the following period.

Employer Services

We have initiated a number of efforts to increase our activity in the employment market, as well as improving our relations with the employer community relative to the Unemployment Insurance program. Each branch office has formed an employer advisory group to assist in planning marketing strategies. We maintain membership in the Grand Rapids Personnel Association and enjoy active participation in the Kent County Private Industry Council. We have emphasized marketing techniques in the in-service training of our Job Service staff.

Youth Services

Through outstation activities with interviewers located at Calvin College, Grand Rapids Junior College, Grand Valley State Colleges, Kent Skills Center, and various high schools in the intermediate school district, a large number of youth are being provided job placement services. We will work with GRPS

III. Levels of Activity

	Current 10/01/82 thru 09/30/83	Projected 07/01/84 thru 06/30/86
TOTAL ACTIVE FILE	<u>15,050</u>	<u>27,750</u>
REGISTRATION		
Total:	<u>29,559</u>	<u>52,621</u>
Claimants	<u>10,445</u>	<u>16,992</u>
Veterans	<u>2,681</u>	<u>4,710</u>
Youth (16-21)	<u>8,958</u>	<u>14,980</u>
Handicapped	<u>1,068</u>	<u>1,610</u>
Economically Disadvantaged	<u>4,523</u>	<u>7,850</u>
Economically Disadvantaged Youth	<u>920</u>	<u>1,425</u>
ENTERED EMPLOYMENT		
Total:	<u>12,634</u>	<u>22,750</u>
Claimants	<u>2,898</u>	<u>4,950</u>
Veterans	<u>1,093</u>	<u>2,145</u>
Youth (16-21)	<u>5,423</u>	<u>7,988</u>
Handicapped	<u>249</u>	<u>481</u>
Economically Disadvantaged	<u>1,339</u>	<u>2,869</u>
Economically Disadvantaged Youth	<u>462</u>	<u>879</u>
REFERRALS		
Total:	<u>14,753</u>	<u>29,225</u>
Claimants	<u>3,336</u>	<u>6,684</u>
Veterans	<u>1,667</u>	<u>5,384</u>
Youth (16-21)	<u>5,707</u>	<u>11,023</u>
Handicapped	<u>399</u>	<u>780</u>
Economically Disadvantaged	<u>1,372</u>	<u>4,021</u>
Economically Disadvantaged Youth	<u>560</u>	<u>1,128</u>
COUNSELLING		
Total Individuals Counseled:	<u>1,244</u>	<u>2,497</u>
Claimants	<u>448</u>	<u>1,138</u>
Veterans	<u>502</u>	<u>1,170</u>
Youth (16-21)	<u>239</u>	<u>363</u>
Handicapped	<u>107</u>	<u>110</u>
Economically Disadvantaged	<u>140</u>	<u>235</u>
Economically Disadvantaged Youth	<u>21</u>	<u>45</u>
Counseled Individuals Placed	<u>161</u>	<u>370</u>

Attachment 2

GRAETC FOLLOW-UP FORM

I. PERSONAL IDENTIFICATION					
A. Name (Last) (First) (Middle)				B. Social Security No.	
C. Address (Street Address) (City) (County) (State) (Zip Code)				D. Political Jurisdiction	
II. COMPONENT IDENTIFICATION					
A. Title		B. Contractor		C. Program Activity	
III. FOLLOW-UP					
<input type="checkbox"/> 30 day ____/____/____ (date) <input type="checkbox"/> 60 day ____/____/____ (date) <input type="checkbox"/> 90 day ____/____/____ (date) <input type="checkbox"/> 150 day ____/____/____ (date)					
IV. RESULTS					
A. Change?					
<input type="checkbox"/> 1. No Change <input type="checkbox"/> 2. Changed as Indicated <input type="checkbox"/> 3. Not Able to Complete					
B. Labor Force Status <input type="checkbox"/> 1. Employed <input type="checkbox"/> 2. Underemployed <input type="checkbox"/> 3. Unemployed <input type="checkbox"/> 4. Other		C. Name of Employer E. Name of Contact Person G. Position Title		D. Address of Employer F. Address and Telephone No. of Contact Person H. Hourly Wage \$ I. Hours Per Week J. If Employed or Underemployed, Training Related? <input type="checkbox"/> Yes <input type="checkbox"/> No	
K. If Not Employed By Original Employer, Reason: <input type="checkbox"/> 1. Dismissed <input type="checkbox"/> 2. Temporary Lay-Off <input type="checkbox"/> 3. Quit <input type="checkbox"/> 4. Other			L. If Dismissed, Reason: <input type="checkbox"/> 1. Unsatisfactory Job Performance <input type="checkbox"/> 3. Job Phased Out <input type="checkbox"/> 5. Unable to Determine <input type="checkbox"/> 2. Excessive Absence or Tardiness <input type="checkbox"/> 4. Disciplinary <input type="checkbox"/> 6. Other		
M. If Quit, Reason: <input type="checkbox"/> 1. Took Other Job <input type="checkbox"/> 4. Wages Too Low <input type="checkbox"/> 7. Transportation <input type="checkbox"/> 10. Personal, Job Related <input type="checkbox"/> 2. Enter Military <input type="checkbox"/> 5. Health <input type="checkbox"/> 8. Pregnancy <input type="checkbox"/> 11. Other <input type="checkbox"/> 3. Enter School <input type="checkbox"/> 6. Family Care <input type="checkbox"/> 9. Moved From Area					
V. STAFF CERTIFICATION					
A. Person Completing		B. Agency		C. Date	
A. Date Sent to GRAETC		B. 811 ID No.		GRAETC USE ONLY Month Staff	

Part II. Title IIA Programming

1. What are the target groups for service in this SDA? How were these groups selected? For example, was the PIC involved in these decisions? What is the relationship between available (or desired) service mix and target populations? What, in your judgment, is the philosophy behind this targeting (most needy, most job ready, will benefit most from training)? What intake process is being used?

Question 1

The target groups for service in this SDA for PY84 are indicated in Exhibit 3. The target groups were selected on the basis of population data and labor market data, supplemented by the files maintained at the GRAETC Central Intake Service. The target groups for service were selected by the GRAETC staff and recommended to the PIC who approved them as submitted. There is little relationship between the desired service mix and the target population. In fact, this question generally evoked a blank stare. The local program administrators think of the target populations as a requirement to serve. They do not appear to try very hard to connect a particular service or service mix to those target groups.

The philosophy behind the targeting, as reported above, is a passive one. The very strong emphasis in the program is on getting participants into some subsidized employment as rapidly as possible. Thus, the most job ready applicants are referred to the job placement pool immediately and those not immediately suitable for employment are assessed and referred for treatment as necessary. Thus, for the training segment the philosophy is to serve those who will benefit most from the training and who are not job ready otherwise.

There is a central intake process for GRAETC for all except the in-school youth program which maintains offices in the Grand Rapids Public Schools and the Kent County Intermediate Schools. GRAETC maintains a permanent intake service in their headquarters and also rotates an outstation on a weekly basis throughout the county. These intake offices accept applications, determine eligibility, verify income and other items as necessary, and make assessments for appropriate referrals for each client. The desires of the client are probed for any program for which the client meets the prerequisites. If there is a match, he or she will be referred to the next opening as it occurs. In cases where no appropriate training is available, less than class size warrants are issued for individuals to go search for their own training services. This is apparently quite rare, however.

II.A.3.

3. Substantial Segments and Target Groups

GRAETC will consider funding for projects which assure equitable services to substantial segments and target groups of the eligible population in each program activity according to jurisdictional percentages specified below:

	<u>City of Grand Rapids Standard</u>	<u>Balance of Kent County Standard</u>	<u>Total Kent County Standard</u>
I. <u>Substantial Segments</u> <u>1/</u>			
Youth (16-21) <u>2/</u>	30	30	30
Older Workers <u>3/</u> (55 and over)	2	2	2
Females	46	46	46
Black (not Hispanic)	50	6	28
Hispanic	7	5	6
Native American	2	1	2
II. <u>Target Groups</u>			
Handicapped	9	9	9
Public Assistance Recipients	47	47	47
AFDC Recipients	21	21	21
School Dropouts			
16 - 21	29	29	29
22 - 64	36	36	36

1/ Percentages of 2% or less will only be applied to projects of 50 (fifty) or more participants enrolled from that jurisdiction.

2/ The proposed standard assumes that a minimum of 30% of all funds in regular programs must be expended to serve youth. This percentage will be adjusted based on final funding levels. The Exemplary Youth Program (EYP) serves exclusively 16-21 year olds, thus 100% of the funds will be expended on youth.

3/ Projects proposing service exclusively to 16-21 year olds are exempt from the older worker service level.

Major Analysis Question

2. How do the issues of target group(s), service mix and performance standards fit together (or not) in this SDA? Does it differ according to target group or specific service category (e.g., OJT, CT)?

Question 2

I can not perceive an overall plan that relates to target groups, service mix, and performance standards. However, it is clear that the administrative staff is aware of the constraints composed upon them by the legislation. This is particularly clear in the case of target groups and performance standards. The Executive Director of GRAETC expressed dismay at her inability to serve the population with less than an eighth grade reading level and a fifth grade math level. She perceives very clearly that these clients require more remediation and more training then she can afford to give and still meet the performance standards. Thus, she feels they have the ability to serve these clients, but it would be suicide for the program performance to try and do so. There does not appear to be a sensitivity to this trade-off issue at either the PIC or the LEO level.

3. JTPA requires that 40 percent of expenditures under Title IIA be devoted to serving youth. In Phase IA we concluded that meeting the youth expenditure requirement was a major and continuing implementation problem at the SDA level and that policymakers might want to rethink this requirement. An alternate interpretation, of course, is that the SDAs need to use available alternatives such as exemplary youth programs to meet this requirement. What, in your judgment, is the situation in this SDA?

Question 3

As indicated in other answers, this SDA is very oriented to goal achievement. I reported in Phase IA that it would difficult for the SDA to meet the youth expenditure requirement, in fact, they did not achieve the 44 percent target given the SDA by the state. They did achieve 39.2 percent. It is seen as a slight problem from the point of view of twisting the program in the direction of youth. It is not seen as a problem for disallowed costs since the State of Michigan has indicated they do not regard this as a grounds for disallowed costs. As reported earlier, this SDA is engaging in more professional advertising for youth participants, but the basic truth is that the lack of stipends hurts the youth program seriously. On the other hand, if there is no penalty for missing the expenditure goal, there is little incentive to try harder.

4. JTPA limits stipends, need based payments, 50 percent of work experience costs (excluding tryout employment) plus administration to a total of 30 percent of (78 percent) Title IIA funds. In addition, administration is limited to half of this amount (15 percent). Please describe and assess the way that this SDA is meeting this limitation. In your answer, please distinguish between the 15 percent administrative and 30 percent overall limits.

Question 4

The SDA simply accepts the 15 percent administrative allowance and 30 percent total restriction as a part of the cost of doing business. The staff at GRAETC generally feel that both of these are limitations. Both the LEO and the PIC regard the 15 percent administrative limit as positive. The administrative staff does express regrets about the limitation for work experience, needs based payments and support services. This is another element of the program that they see as eliminating particular groups from the service population. It does not impact an overall performance since there are so many eligibles to choose from.

5. Other parts of the legislation allow for waivers of the 30 percent limit for stipends, work experience costs and administration, as well as the youth expenditure requirement, inclusion of non-training costs in performance based (unit cost) contracts, etc. (There is no waiver on the 15 percent administrative limit.) What is this SDA doing to comply with (avoid) these strictures? There is, of course, a potential for disallowed costs. What is your assessment of the situation in this SDA? What potential problems might result?

Question 5

No waiver of the 30 percent limit for stipends, work experience, or administration has been sought. GRATC spends the 15 percent administrative dollars on their staff. They accommodate the remaining 15 percent and do the best they can for the clients who have legitimate claims. They do not feel a waiver of the 30 percent limit would be approved and point out that it would be difficult to serve those clients in any event because of the performance standards. It is clear to the professional staff that this affects the clients served but it is not perceived as a problem by decision makers in the local area. Therefore, I do not perceive any potential problems that might result from the enforcement of these provisions.

Part III: Title IIA Service Mix and Participant Characteristics

Early reports on the types of Title IIA services being provided by SDAs range from OJT to occupational skills training to basic and remedial education to limited work experience or job search. Overall, there appears to be an emerging emphasis on the use of OJT and occupational skills training. One objective in this Phase of the study is to address the service mix issue more quantifiably through the use of enrollment data collected through June 30, 1984. In particular, we would like to examine planned enrollment, year to date enrollment levels, total terminations, placements, the average wage rate at placement and expenditures per participant by the various program activities. Table 2-1 lists each activity for which this information is to be collected and the definitions used for each activity. To properly define these activities the following taxonomy of training was used:

- (1) Employability development that is designed to provide an orientation to the world of work, improve work habits, motivation, personal grooming, personal finance, job search skills; etc.;
- (2) General training that imparts basic remedial and adult education -- skills training that is general and not related to a particular occupation; and
- (3) Specific skills training that provides training in areas related to a particular occupation (i.e., welding, computer programming, bookkeeping, etc.).

In column A of Table 2-1 please indicate the planned enrollment level for each activity. In column B please report the cumulative enrollment level as of June 30, 1984. In column C please report the total number of terminations per activity. In column D indicate the total number of unsubsidized job placements, and column E should report the average wage at placement. Finally, report the expenditures per participant in column F. It is anticipated that most of the needed data will be available through SDA monthly summary report forms. However, some SDAs may only have the data on individual participant records

Planned enrollments should be available from the TY84 plan or may be summarized from contracts. Year to date enrollments should be available from the management information system, as should terminations, placements and, since they are performance standards, the average wage at placement as well as the expenditure per participant.

We are most interested in the "harder" service areas (e.g., OJT, class training) and we have listed them in descending order with the "fuzziest" (employability development) at the bottom. We also realize that the enrollments in each activity may sum to more than 100 percent of total enrollment due to participation in multiple activities.

**** NOTE ****

Our study of the forms supplied with your Phase 1 and 1A reports indicates that the information is available in summary records. If this is not the case in your SDA, please call before you engage in any large scale "data grubbing."

1. Please use this space to comment on the quality, availability or unavailability of this information.

Question 1

None of the data requested in this section on actual performance were available in the SDA. I was able to glean the planning figures from the Budget and Activity Plan Summary (attachment 3A), but GRAETC does not keep data in the format required for reports. The JASR was only available from the state. GRAETC simply ships their data tapes to the state monthly and lets the state merge it with the "state wide" data system. There is very little interest in measurement except for documenting good performance.

In general this has been a very discouraging effort, the worst experience I have had in trying to gather information on program performance. I do not know for sure whether this is due to legislative failure, local administrative failure, or researcher failure. It does suggest that SDA level data may not be of much use in evaluating JTPA, however. If the record is this spotty in other localities, there is no hope of compiling adequate measurements.

EXHIBIT D
(Page 1)

Section D

BUDGET AND ACTIVITY PLAN SUMMARY
MICHIGAN DEPARTMENT OF LABOR

A. SDA-GR Name and Address GRAETC 49 Monroe Center N.W. Grand Rapids, MI 49503	B. JTP Number 15	C. Mod. Number
	D. Period of Grant MM DD YY 10 01 83 to 06 30 84	E. Mod. Date MM DD YY

F. Type of Program: <input checked="" type="checkbox"/> IIA <input type="checkbox"/> IIB <input type="checkbox"/> Other: _____
--

G. BUDGET COST CATEGORIES	Estimated Unexpended Funds	New or Revised Budget			e. Total
		b. Total	c. Youth 14-15	d. Youth 16-21	
1. Administration		399,992			
2. Training		1,813,296			
3. Participant Support		453,324			
4. Totals		2,666,612		1,178,643	1,178,643

H. CUMULATIVE PROJECTED EXPENDITURES	Quarter Ending											
	0	9	1	2	83	0	3	8	4	0	6	8
1. Administration				139,997		271,995				399,992		
2. Classroom Training				255,360		496,128				729,600		
3. On-the-Job Training				103,849		201,764				206,000		
4. Regular Work Experience				-0-		-0-				-0-		
5. Limited Work Experience				77,686		150,932				221,959		
6. Supportive Services 1)				80,978		157,328				231,365		
7. Employment Development Services				8,128		15,792				23,224		
8. Youth Tryout Employment				60,727		117,985				173,507		
9. Cooperative Education				-0-		-0-				-0-		
10. Other (Specify)				206,589		401,372				590,253		
11. Total Expenditures 2)				933,323		1,813,296				2,666,612		

I. CUMULATIVE PARTICIPATION IN ACTIVITIES	Quarter Ending														
	0	9			1	2	8	3	0	3	8	4	0	6	8
1. Classroom Training							137				267				392
2. On-the-Job Training							55				106				156
(a) Public Sector							5				10				15
(b) Private Sector							50				96				141
3. Regular Work Experience							-0-				-0-				-0-
4. Limited Work Experience							89				172				253
5. Supportive Services 3)							-0-				-0-				-0-
6. Employment Development Services							20				38				56
7. Youth Tryout Employment							57				110				162
8. Cooperative Education							-0-				-0-				-0-
9. Other 4)							14				27				0
10. Total							372				720				1,000

J. PARTICIPATION AND TERMINATION SUMMARY	Quarter Ending											
	0	9	1	2	8	3	0	3	18	14	0	6
1. Total Participants				351				681			1002	
2. Total Terminations				123				375			-728	
(a) Entered Employment				50				153			298	
(b) Employability Enhancement (youth only)				3				7			10	
(c) Other				70				215			420	
3. Total Current Participants				228				306			274	
4. Adult Participants				164				318			468	
5. Adult Terminations				55				169			328	
(a) Welfare Recipients (GA, AFDC, Refugee Assistance)				20				62			121	
(1) Entered Employment				7				21			40	
(2) Other				13				41			81	
(b) Not Welfare Recipients				35				107			207	
(1) Entered Employment				16				50			98	
(2) Other				19				57			109	
6. Current Adult Participants				109				149			140	
7. Youth Participants				187				363			534	
8. Youth Terminations				68				206			400	
(a) Entered Employment				27				82			160	
(b) Employability Enhancement				3				7			10	
(c) Other				38				117			200	
9. Current Youth Participants				119				157			134	

K. CUMULATIVE TERMINEE CHARACTERISTICS	Adult (age 22+)											
	Quarter Ending											
	0	9	1	2	8	3	0	3	18	14	0	6
1. Female				26				82			159	
2. Age 14-15												
3. Age 16-19												
4. Age 20-21												
5. Age 22-44				51				156			303	
6. Age 45-54				3				9			18	
7. Age 55+				1				4			7	
8. White (non-Hispanic)				29				90			175	
9. Black (non-Hispanic)				18				54			104	
10. Hispanic				4				13			26	
11. Indian/Asian				4				12			23	
12. High School Dropout (age 15+)				21				64			125	
13. Handicapped				7				20			39	
14. U.I. Claimant				5				16			31	
15. Welfare Recipient (No SSI)				20				62			121	
16. Avg. Weeks Participated				21				21			21	

L. LOCAL ECONOMIC CONDITIONS

1. Average Unemployment Rate 12.3%

2. Average Hourly Area Wage 7.93

Associate H. Allan Hunt
SDA Grand Rapids/Kent County

Table 2-1

Title IIA
Planned Enrollment Levels, Year to Date Enrollments
Positive Terminations, Average Wage at Termination
By Program Activity Through June 30, 1984

Program Activity	Definition	(A)	(B)	(C)	(D)	(E)	(F)
		Planned TY84 Enrollment	Enrollment Through 6/30/84	Total Terminations Through 6/30/84	Placements Through 6/30/84	Average Wage at Placement	Expenditure Per Participant
OJT	Training that is provided by a public or private employer at the worksite in exchange for a wage subsidy that is not to exceed 50 percent						
Occupational Skills Training	Training that may be provided in an institutional setting that is directly related to a specific occupation, paid for entirely through program funds (i.e., vocational training, carpentry, welding, etc.)						
Basic Education	Instruction that is provided in a classroom setting which is designed to improve basic or remedial math, reading, and general educational competencies						
Work Experience	Employment provided in a public or private organization to enhance employability development while exposing the participant to various occupational opportunities						
Job Search	Individuals are placed in a program that requires them to locate employment opportunities (i.e., job clubs) and/or program staff conducts job development and placement strategies						
Employability Development	Individuals are provided instruction in programs designed to develop, among other things: job search skills, personal appearance; and general work requirements (does not include work experience)						

GRAETC does not keep any data by program activity.

Total

OJT Contracts

Table 2-2 is designed to collect specific information on the nature of the OJT contracts that have been let. For each contract please list the employer (column A), the occupation in which the participant has been placed (Column B), the wage rate for the occupation (Column C), the length of the training in hours (Column D), and the subsidy rate if different from 50 percent (Column E). We have allowed for twenty such contracts. There are probably more than twenty such contracts in your SDA. In Phase 1A we received several lists of OJT contracts containing this information. If a list is available, just send the list. If there is no list, take every Nth one to produce a list of twenty.

2. Please discuss the emphasis on OJT in this SDA, the process used to develop OJT positions, and the kinds of OJT positions developed.

Question 2

There are three substantial OJT contracts in this SDA. The Michigan Employment Security Commission holds a large contract, and the Grand Rapids Urban League and Pine Rest Christian Rehabilitation Service hold smaller contracts. There is also a small OJT component in the Wyoming Public Schools contract. In total, these contracts account for approximately 20 percent of PY84 funding and 18 percent of planned enrollments. This information is contained in attachment 3-B, which is the summary of services by contractor.

According to GRAETC, no information is available on the specific activities under these contract at the central office. Thus, it was not possible to develop the data for Tab 2-2 without field visits to each contractor.

SUMMARY OF SERVICES/ACTIVITIES BY CONTRACTOR

1. Grant Number

15

2. Name and address of SDA:

GRAETC II
49 Monroe Center, N.W.
Grand Rapids, MI 49503

3. Type of Program ("X" one)

a. ☒ II-A b. ☐ II-B c. ☐ Other (Specify) _____

4. Subrecipient or Contractor	5. Type of Agency or Organization	6. Type of Activity, Service or Facility To Be Provided	7. Total Budget	8. Participants		9. Duration of Activity/ Financial Agreement
				#	Cost Per.	
Catholic Human Development Office	Private Non-Profit CBO	Classroom Training	174,672	36	4,852	7/1/84 - 6/30/85
Cedar Springs Public Schools	Public Educational	Classroom Training	47,292	56	845	7/1/84 - 6/30/85
Grand Rapids, City of	Municipality	Limited Work Experience	686,503	205	3,349	7/1/84 - 6/30/85
Grand Rapids Junior College	Public Educational	Classroom Training - Class-size and Less - than-class-size (60% of MDE total)	707,174 (166,774)	750	943	7/1/84 - 6/30/85
Grand Rapids Urban League	Private Non-Profit CBO	On-the-Job Training	145,000	75	1,933	7/1/84 - 6/30/85
Michigan Employment Security Commission	State Agency	On-the-Job Training	343,581	165	2,082	7/1/84 - 6/30/85
Pine Rest Christian Rehabilitation Srvc.	Private Non-Profit Handicapped Services	On-the-Job Training Counseling-CIU	142,027 27,853	96 NAP	1,479 NAP	7/1/84 - 6/30/85 7/1/84 - 6/30/85
Women's Resource Center	Private Non-Profit CBO	Employment Development Services	33,374	264 ^{1/}	126	7/1/84 - 6/30/85
Wyoming Public Schools	Public Educational	Classroom Training, On-the-Job Training	52,909 35,100	60 60 2/	883 585	7/1/84 - 6/30/85 7/1/84 - 6/30/85
Grand Rapids Public Schools	Public Educational	Exemplary Youth Programs 1) Regular-In-School 2) Special Education (40% of MDE total)	300,000 (111,182)	200 80	1,500 1,390	7/1/84 - 6/30/85 7/1/84 - 6/30/85
Kent Intermediate School District	Public Educational	Exemplary Youth Program In-School	263,513	200	1,318	7/1/84 - 6/30/85

1/ Referred to other training components

2/ 60 participants simultaneously/sequentially enrolled in both activities

Table 2-2.

OJT CONTRACTS

	(A) Employer	(B) Occupation	(C) Wage Rate	(D) Length of Training (in Hours)	(E) Subsidy Rate (If Different From 50%)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
15.					
16.					
17.					
18.					
19.					
20.					

Major Analysis Question

3. The potential for systematic selection of title IIA participants is a continuing concern to DOL and the Congress. For the youth participants, the concern is that the limit on stipends and the decision to emphasize job placement over remaining in school as the major positive outcome will lead to a focus of training activity on high school seniors about to enter the labor force. For adult participants, the need to establish private sector placements at the lowest possible cost emphasizes serving the most "job-ready" adults (i.e., those adults with high school diplomas or a significant work history). How has this worked out in your SDA?

Question 3

As discussed earlier, the nature of the budgetary constraint combined with the performance standards have basically tied the hands of the SDA in terms of who they can serve. They feel that they must serve the most job ready in order to keep the performance up and to keep the PIC happy.

This does not appear to me to be either surprising or unintended. It is clear from the general design of the legislation that this result was anticipated.

It would appear that a 66 percent overall positive termination rate and 62 percent entered employment rate were achieved during the transition year. It is difficult to evaluate either the accuracy of these numbers or their meaning however without more experience as a guide.

On the other hand, it seems that the terminees were older, better educated, more handicapped, and less welfare dependent than anticipated at the beginning of the year. This seems to reflect both the recovery from the recession and the emphasis on serving the job ready. In a strengthening economy with substantial unemployment, it is not that hard to put people back to work provided they have some skills. The interesting test will come in PY84 when standards are more accurate and also more compelling.

Table 2-3 Participant Characteristics

The following table is designed to obtain two types of information. The first is the planned enrollment levels of various groups within the eligible population. We plan to use the planned enrollment figures in relation to actual enrollments as a measure of buildup and targeting. The second purpose of the table is to supply characteristics information on the population served.

We are particularly interested in two things. First, there are anecdotal accounts of underenrollment, particularly of youth and those with less than a high school degree. A number of Phase 1A reports indicated difficulty enrolling youth and particularly out of school youth. We feel that quantitative evidence of selection within the eligible population will show up only in the proportion with less than high school degree and in the proportion receiving AFDC at entry. Second, your reports indicated that the combination of only using a placement performance standard for youth and the limitations on the length of work experience will combine to mean that service is provided only to youth over the age of seventeen.

The planned enrollment should be available from the annual plan or from the numbers specified in performance contracts. The actual characteristics of terminees is required for the JTPA Annual Status Report (JASR). The time period is October 1983 through the end of the Transition Year on June 30, 1984. If they are not available for this period we will take the first two quarters of TY 1984 (October 1983 - March 30, 1984). If more detailed information is available, please send it along with your report. Please note that we are using terminations as the universe of enrollees since that is the information required for federal reporting purposes. This will differ from actual cumulative enrollments for those still in the program at the close of the Transition Year.

4. Please comment on the quality, availability and conclusions to be drawn from these data.

Question 4

These data are probably not very reliable. The planning figures are taken from the Budget And Activity Plan Summary (Attachment 3A) while the actual figures are from the JASR compiled at the state level (attachment 3C). The inconsistencies appear to be rather serious. I do not know what this represents except that TY84 planning was really not taken very seriously. Program operators were not sure where the new program was heading and the emphasis in the state was directed at the battles over control of the discretionary funding in Title IIA and Title III.

Associate H. Allan HuntSDA Grand Rapids/Kent County

Table 2-3

Enrollment and Participant Characteristics

Period: 10/1/83 to 6/30/84

	Planned Enrollment	Transition Year Termination
<u>Total Participants</u>	1002	1271
<u>Total Terminations</u>		
Entered employment (Total)	728	940
Other adult positive termination	298	597
Youth positive termination (other)	-	-
Other terminations	10	26
	420	317
<u>Characteristics</u>		
x		
Male	366	483
Female	362	457
Age		
14-15	0	0
16-19	240	> 330
20-21	160	
22-44	303	> 597
45-54	18	
55 and over	7	13
<u>Education</u>		
School dropout	205	172
Student (H.S. or less)	-	152
High school graduate or more	-	616
<u>Race</u>		
White	368	515
Black	252	323
Hispanic	51	66
Native American	> 57	24
Asian		12

Associate H. Allan HuntSDA Grand Rapids/Kent County

Table 2-3 (Continued)

Enrollment and Participant Characteristics

Period: 10/1/83 to 6/30/84

	Planned Enrollment	Transition Year Termination
<u>Employment Barriers</u>		
Limited English	-	27
Handicapped	75	201
Offender	-	-
<u>Benefit Reciprocity</u>		
U.I Claimant	39	46
U.I. Exhaustee	-	-
Public Assistance (GA)	> 297	> 309
AFDC		123
Youth AFDC		
<u>Labor Force Status</u> (prior 26 weeks)		
Unemployed 1-14 weeks	-	> 877
Unemployed 15 or more weeks	-	
Not in labor force	-	-

U.S. DEPARTMENT OF LABOR Employment and Training Administration JTPA ANNUAL STATUS REPORT	a. STATE/SDA NAME AND ADDRESS Michigan - 15 GRAETC II 49 Monroe Center, N.W. Grand Rapids, MI 49503	b. REPORT PERIOD From 10/1/83 To 6/30/84
--	---	--

I. PARTICIPATION AND TERMINATION SUMMARY	TOTAL ADULTS	ADULTS (WELFARE)	YOUTH	DISLOCATED WORKERS
	(A)	(B)	(C)	(D)
A. TOTAL PARTICIPANTS	801	415	470	0
B. TOTAL TERMINATIONS	610	309	330	0
1. Entered Unsubsidized Employment	426	195	171	0
a. Entered Registered Apprenticeship Program			0	
b. Entered Armed Forces			1	
2. Youth Employability Enhancement Terminations			26	
a. Entered Non-Title II Training			6	
b. Returned to Full-Time School			1	
c. Completed Major Level of Education			19	
3. All Other Terminations	184	114	133	

LINE NO.	II. TERMINEES PERFORMANCE MEASURES INFORMATION		TOTAL ADULTS	ADULTS (WELFARE)	YOUTH	DISLOCATED WORKERS
			(A)	(B)	(C)	(D)
1	SEX	Male	290	135	193	0
2		Female	320	174	137	0
3	AGE	14 - 15			0	
4		16 - 21			330	0
5		22 - 54	597	304		0
6		55 and Over	13	5		0
7	EDUCATION STATUS	School Dropout	122	67	50	0
8		Student (High School or Less)	5	0	147	0
9		High School Graduate, or Equivalent, and Above	483	242	133	0

c. SIGNATURE AND TITLE Director, Bureau of Employment and Economic Development	d. DATE SIGNED	e. TELE. NO.
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a. STATE/SDA NAME AND ADDRESS Michigan - 15 GRAETC II 49 Monroe Center, N.W., Grand Rapids, MI 49503	b. REPORT PERIOD From 10/1/83 To 6/30/83
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LINE NO.	II. TERMINEES PERFORMANCE MEASURES INFORMATION - <i>Continued</i>		TOTAL ADULTS	ADULTS (WELFARE)	YOUTH	DISLOCATED WORKERS
			(A)	(B)	(C)	(D)
10	FAM. STAT.	Single Head of Household with Dependent Children	180	135	29	
11	RACE/ETHNIC GROUP	White (Not Hispanic)	344	152	171	0
12		Black (Not Hispanic)	201	126	122	0
13		Hispanic	49	26	17	0
14		American Indian or Alaskan Native	15	5	9	0
15		Asian or Pacific Islander	1	0	11	0
16	OTHER BARRIERS TO EMPLOY.	Limited English Language Proficiency	14	8	13	0
17		Handicapped	98	23	103	0
18	U.C. STAT.	Unemployment Compensation Claimant	46		0	0
19	LAB. FORCE STAT.	Unemployed	563	299	314	0
20		Youth Welfare Recipient			123	
21		Average Weeks Participated	14	16	15	-0
22		Average Hourly Wage at Termination	\$4.86	\$4.70	\$3.89	
23		Total Program Costs (Federal Funds)	\$1,555,733		\$998,521	

REMARKS

Part IV: Title IIA Performance Standards

Performance standards are used to evaluate the relative performance of the various SDAs. One set of performance issues at the SDA level is the relationship between performance standards received by the SDA from the State and the actual overall performance of the given SDA. Another set of issues is the link between SDA-level performance standards and the performance expectations of the SDA as applied to the subcontractors within the SDA. In your discussion please separate these SDA and sub-SDA level issues. You should also distinguish between the Transition Year (October 1, 1983 - June 30, 1984), and PY84 (July 1, 1984 to June 30, 1985).

1. Please list the actual numerical values of the Title IIA performance standards for this SDA for the Transition Year and program year 1984. Please also indicate how these standards were set:

	Transition Year Standards		Program Year 1984 Standards	
	Adult	Youth	Adult	Youth
Entered Employment Rate	36.7%	36.6%	44.5%	23.6%
Welfare Entered Employment Rate	29.0%	-	35.2%	-
Cost per Entered Employment	\$8,171	-	\$6,964	-
Average Wage at Placement	\$ 4.61	-	\$4.59	-
Positive Termination Rate	-	41.3	-	74.6
Cost per Positive Termination	-	\$6,139		\$3,223

Question 1

The title IIA Performance Standards for PY84 were determined using the National Department of Labor model. This is the method required by the Michigan Department of Labor for the SDA's in the state. The worksheets for this are in attachment 4. The TY84 numbers were unrealistic and not really comparable. Supposedly they were based on the DOL model also, but apparently the connection was loose.

SECTION E - SDA PERFORMANCE STANDARDS WORKSHEETS

JTPA Performance Standards Worksheet				A. SDA NAME GRAETC		B. SDA NUMBER 15	
C. PERFORMANCE PERIOD PY 1984		D. TYPE OF STANDARD (X) PLAN () RECALCULATED		DATE CALCULATED 3/1/84		E. PERFORMANCE MEASURE Entered Employment Rate (Adult)	
F. LOCAL FACTORS			G. SDA FACTOR VALUES	H. NATIONAL AVG FACTOR VALUES	I. DIFFERENCE (G MINUS H)	J. WEIGHTS	K. PRODUCT (I TIMES J)
1. % Female			49	51.5	-2.5	.03	-0.8
3. % 55 years old & over			2.2	2.2	.0	.26	.0
4. % Black			28	29.7	-1.7	-.10	.17
5. % Hispanic			6	9.7	-3.7	.09	-.33
6. % Other Minority			2	5.3	-3.3	.11	-.36
7. % Dropout			36	29.3	6.7	.07	.47
8. % High School Grad & Above			57.3	57.3	.0	.34	.0
9. % Handicapped			9	10.3	-1.3	-.29	.38
10. % UI claimant			9	6.9	2.1	.29	.61
11. % Welfare recipient			40	28.2	11.8	-.22	-2.60
12. % Single Head of Household			21.3	21.3	.0	.11	.0
14. Average wage for area (\$000)			16.9	15.2	1.7	-.44	-.75
15. Unemployment rate			10	10.0	.0	-1.20	.0
TOTAL							-2.49
L National Departure Point							47.0%
M Model-Adjusted SDA Performance Standard for Adult Entered Employment Rate							44.51%

JTPA Performance Standards Worksheet			A SDA NAME GRAETC		B SDA NUMBER 15	
C PERFORMANCE PERIOD PY 1984	D TYPE OF STANDARD (X) PLAN () RECALCULATED	DATE CALCULATED 3/1/84	E PERFORMANCE MEASURE Average Wage at Placement (Adult)			
F LOCAL FACTORS		G SDA FACTOR VALUES	H NATIONAL AVG FACTOR VALUES	I. DIFFERENCE (G MINUS H)	J. WEIGHTS	K. PRODUCT (J TIMES I)
1. % Female		49	51.5	-2.5	-.005	.01
3. % 55 years old & over		2.2	2.2	.0	-.016	.0
4. % Black		28	29.7	-1.7	-.004	.01
5. % Hispanic		6	9.7	-3.7	.000	.0
6. % Other Minority		2	5.3	-3.3	.006	-.02
7. % Dropout		36	29.3	6.7	-.008	-.05
8. % High School Grad & Above		57.3	57.3	.0	.001	.0
9. % Handicapped		9	10.3	-1.3	.006	.01
10. % UI claimant		9	6.9	2.1	.003	.01
11. % Welfare recipient		40	28.2	11.8	-.002	-.02
12. % Single Head of Household		21.3	21.3	.0	.003	.0
14. Average wage for area (\$000)		16.9	15.2	1.7	.118	.20
TOTAL						.15
L National Departure Point						\$4.44
M Model-Adjusted SDA Performance Standard						\$4.59

JTPA Performance Standards Worksheet			A. SDA NAME GRAETC		B. SDA NUMBER 15	
C. PERFORMANCE PERIOD PY 1984	D. TYPE OF STANDARD (X) PLAN () RECALCULATED	DATE CALCULATED 3/1/84	E. PERFORMANCE MEASURE Entered Employment Rate (Youth)			
F. LOCAL FACTORS		G. SDA FACTOR VALUES	H. NATIONAL AVG FACTOR VALUES	I. DIFFERENCE (G MINUS H)	J. WEIGHTS	K. PRODUCT (I TIMES J)
1. % Female		49	48.5	.5	.20	.10
2. % 14-15 years old		0	9.2	-9.2	-.06	.55
4. % Black		32	35.7	-3.7	-.09	.33
5. % Hispanic		7	10.0	-3.0	-.03	.09
6. % Other Minority		2	4.8	-2.8	-.06	.17
7. % Dropout		29	19.7	9.3	.19	1.77
8. % High School Grad & Above		16.3	16.3	.0	.37	.0
10. % UI claimant		1	1.0	.0	.52	.0
11. % Welfare recipient		40	30.1	9.9	-.13	-1.29
12. % Single Head of Household		5.6	5.6	0	-.06	.0
14. Average wage for area (\$000)		16.9	15.2	1.7	.27	.46
15. Unemployment rate		10	10.0	0	-.43	.0
TOTAL						2.18
L National Departure Point						21.4%
M Model-Adjusted SDA Performance Standard						23.58%

JTPA Performance Standards Worksheet			A. SDA NAME GRAETC		B. SDA NUMBER 15	
C. PERFORMANCE PERIOD PY 1984	D. TYPE OF STANDARD (X) PLAN () RECALCULATED	DATE CALCULATED 3/1/84		E. PERFORMANCE MEASURE Cost per Positive Termination (Youth)		
F. LOCAL FACTORS		G. SDA FACTOR VALUES	H. NATIONAL AVG FACTOR VALUES	I. DIFFERENCE (G MINUS H)	J. WEIGHTS	K. PRODUCT (I TIMES J)
1. % Female		49	48.5	.5	2.50	1.25
2. % 14-15 years old		0	9.2	-9.2	-8.21	75.53
4. % Black		32	35.7	-3.7	1.61	-5.96
5. % Hispanic		7	10.0	-3.0	3.34	-10.02
6. % Other Minority		2	4.8	-2.8	-9.65	27.02
7. % Dropout		29	19.7	9.3	40.17	373.58
8. % High School Grad & Above		16.3	16.3	.0	40.15	.0
10. % UI claimant		1	1.0	.0	-44.98	.0
11. % Welfare recipient		40	30.1	9.9	3.82	37.82
12. % Single Head of Household		5.6	5.6	.0	-36.80	0
13. Average weeks Participated		20	20.9	-.9	86.31	-77.68
14. Average wage for area (\$000)		16.9	15.2	1.7	53.46	90.88
15. Unemployment rate		10	10.0	0	54.36	-0
TOTAL						512.53
L National Departure Point						\$2,710.16
M Model-Adjusted SDA Performance Standard						\$3,222.69

2. What was the actual Title IIA performance of your SDA during the Transition Year for each of these measures? Who is responsible (State, SDA) for the collection of the data on which these performance measures are based, and for the determination of actual performance?

Question 2

The actual TY84 performance is compared to the targets in attachment 5. The SDA is responsible for the collection of the data on which the performance measures are based, and makes a determination of performance. However, since GRAETC is not a part of the statewide on-line reporting system, they ship tapes monthly to the state for tabulation. Officially, it is the State Department of Labor that determines the actual performance using data submitted by the SDA.

3. What is the PIC perception of these standards, and the actual SDA performance? Are the standards perceived as fair? Are they perceived as useful tools in measuring efficiency? Are they seen as hindering equitable service to various groups?

Question 3

The PIC perceives the performance standards as useful tools. The private sector domination of the PIC is reflected in a strong performance standard orientation. Far from perceived as unfair, the PIC generally sees the performance standards as objective, and as providing defense against unwarranted claims by particular client groups. Thus, the PIC does not see the performance standards hindering equitable service to various groups. However, as mentioned in the answer to an earlier question, the GRAETC staff perceives a trade-off between the service to various groups and meeting the overall performance standards.

Grand Rapids Area Employment and Training Council

M E M O R A N D U M

August 3, 1984

TO: GRAETC Staff

FROM: Micki Pasteur

SUBJECT: GRAETC'S PERFORMANCE IN FY'84

As you all know the JTPA program places a heavy emphasis on performance and program outcomes. The State will judge our program performance based on a series of performance standards. We have just finished adding up all the numbers for FY'84 (October, 1984 through June, 1985), the initial program period for JTPA, and our outcomes on each of the performance measures is shown below. A performance level or rate is established for GRAETC on each standard by means of a complicated formula that compares data on CETA and JTPA programs nationally to the characteristics of persons we actually served. The rate which GRAETC must meet is shown first, followed by our actual performance on that standard.

A.	<u>Adult Entered Employment Rate</u>	
	Required level	36.7
	GRAETC performance	69.1
B.	<u>Adult Welfare Entered Employment Rate</u>	
	Required level	29.0
	GRAETC performance	64.5
C.	<u>Cost per Entered Employment (Adult)</u>	
	Required level	\$8,171
	GRAETC performance	\$3,502
D.	<u>Average Wage at Placement (Adult)</u>	
	Required level	\$4.61
	GRAETC performance	\$4.85
E.	<u>Youth Entered Employment Rate</u>	
	Required level	36.6
	GRAETC performance	53.7
F.	<u>Positive Termination Rate (Youth)</u>	
	Required level	41.3
	GRAETC performance	72.7
G.	<u>Cost per Positive Termination Youth</u>	
	Required level	\$6,139
	GRAETC performance	\$3,811

4. Did the PIC add any SDA level performance measures to those required by the State? If so, what were they and why were they added? Did the SDA receive any of the six percent set aside money from the State for the Transition Year? Was it related to program performance?

Question 4

The PIC did not add any SDA level performance measures to those required by the State. The SDA did receive their allocation of the 6 percent set aside of the money for the transition year. However, this money was awarded not for program performance but upon submission of an acceptable plan to the Governor's Office for job training. As reported in Phase I, the Governor's Office for Job Training linked these set-asides to particular economic development goals.

5. Performance based contracting involves contracts with training organizations in which partial or complete payment is made only if certain outcomes are achieved (e.g., 80 percent placement). The advantage to the SDA of using this type of subcontract relative to cost reimbursement arrangements is that the entire contract cost (including any administrative or job development costs) is counted as a training cost and is outside the 30 percent limit on nontraining costs. What is the relationship between SDA performance standards and subcontracting procedures including the use of performance expectations? Is performance based contracting being used during the Transition Year? Will it be used in Program Year 1984? Are the performance expectations for subcontractors uniform or do they vary from contract to contract?

Question 5

There is no performance based contracting in the Grand Rapids-Kent County SDA. As reported in Phase IA, there were bonus points awarded for performance based contract submissions in the competitive evaluations of grant submissions. However, no acceptable proposals were received and thus no performance based contracting was done.

Part V: Title III Programming

Based on our survey of nonsample States and your reports, it appears that the majority of Title III projects are being operated outside the SDA delivery system. Only seven of the 22 sampled SDAs in Phase 1A received funding for Title III projects. The purpose of this section of the report is to identify changes that may be developing in this area and to examine the nature of Title III programs operated by the SDAs through PY84. Questions 1 through 6 should be answered only if your SDA receives Title III funding. Question 7 should be answered in all cases.

1. On Table 3-1 (Project Information Sheet), please list all Title III projects for which contracts involving FY83, Transition Year or Program Year 1984 money have been signed. Indicate the project name in Column A. Columns B, C, and D should indicate the amount of FY83 and Transition Year or Program Year 1984 funds, respectively. Please do not include any nonfederal funds. In Column E indicate whether the listed project is:

- A new project (code = 1);
- An addition to a project which was existing and reported in Phase 1A (code = 2)*; or,
- A previously existing and reported project for which the funding level is unchanged (code = 3).

In column F, please provide a short description of the project including organizational arrangements, program operator, location, eligibility criteria (e.g., age, occupation, employer, high school completion, etc.), number of participants, and services provided (i.e., counseling, job search, training, relocation). Also, in column G please indicate the code for the current operational status of the project.

- (1) Start-up, no participants.
- (2) Operating.
- (3) Completed.
- (4) Other (please specify).
- (5) Unknown.

*The reported change should include any project for which funding was reduced or eliminated.

Table 3-1. Title III Project Information Sheet

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Project Name	Program Operator	Number of Planned Partici- pants	Total Amount of FY83 JTPA and EJB Money	Total Amount of Transition Year JTPA Money (in thousands)	Total Amount of PY84 Money (in thousands)	Funding Code	Program Description	Operational Status

There is no Title III activity in this SDA.

Title III OJT Contracts

In our examination of Title III projects in the sample SDAs and in our survey of the nonsample States, OJT was the most frequently planned service to be provided to dislocated workers. As in the case of Title IIA programs, we began to wonder how these projects and SDAs could suddenly increase the numbers of OJT contracts. One possible scenario is that the involvement of private sector representatives in the program has resulted in increased acceptance of OJT by private businesses. Another possibility is that there is increased low wage OJT for entry level jobs with relatively high turnover, thus subsidizing normal training costs for particular employers. The third possibility is that the use of the OJT contract as an incentive creates a preference for JTPA participants among employers for filling jobs that would otherwise be filled by individuals not eligible for JTPA.

We would like to collect a sample of twenty representative OJT contracts for each SDA. Column A of Table 3-2 provides space for the employer with whom the contract is written; column B is for the occupation in which the participant is placed. Column C is for the wage paid under the OJT contract. Column D is for the length of the contract in hours (the amount of the contract divided by the OJT subsidy per hour - usually half the wage rate). Finally, in column E, please indicate if the subsidy rate is other than 50 percent of the wage paid to the participants. Again, a Title III Project is likely to have more than twenty OJT contracts. If so, either send a complete list (if available) or select every Nth contract to produce a sample of twenty.

2. Please comment on the use of and emphasis on OJT in this SDA's Title III program. What is the process used to generate OJT slots?

(A)
Employer

(B)
Occupation

(C)
Wage Rate

(D)
Length of
Training
(in Hours)

(E)
Subsidy Rate
(If Different
From 50%)

1.				
2.				
3.				
4.				
5.				
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15.				
16.				
17.				
18.				
19.				
20.				

Associate H. Allan Hunt

SDA Grand Rapids/Kent County

3. What are the target groups for these Title III projects? Was the eligible group selected by the SDA, by the specific projects proposed, or by some other means?

4. Did the State pass the matching requirement to the SDAs or project operators? If so, what sources of matching are being used?

5. Please describe the mix of services provided in Title III projects. Why was this particular strategy chosen?

6. What is the relationship between the Title IIA and Title III planning and delivery systems in this SDA? What kinds of coordination or problems in coordination exist? How have the differences in Title IIA and III rules concerning limits on administrative and support costs influenced these programs? Is there differential interest (control) on the part of the PIC in Title IIA and III programming?

7. If there is Title III funding outside the SDA delivery system (projects run by some other agency) in (or overlapping) your SDA, what is the relationship between the PIC/SDA and the Title III project? For example, does the SDA recruit for the project or did the SDA support that organization's application for funds?

Question 7

There is no Title III funding in this SDA. As reported in the Phase I state report, the bulk of the Title III funding has been awarded in southeastern Michigan. While GRAETC expected some displaced worker money and did apply for transition year money, they do not have a serious displaced worker problem. It appears they have lost interest in the process, given the severity of the displaced worker demands from other parts of the state.

Part VI: Other Implementation Issues

1. Our analysis of the Phase 1A reports indicated that liability for disallowed costs remained an issue in about half of the SDAs. The other half indicated that this was not a problem because of a clean past history, use of experienced subcontractors and established contracting procedures. Our analysis suggests that liability issues may extend beyond participant income eligibility to the youth expenditure requirement, administrative and stipend limits, matching for Title III funds and payments under performance based (unit) contracts. What is your assessment of the awareness of these potential problems and procedures used in this SDA? Has this SDA had any audit experience to date?

Question 1

The SDA administration at GRAETC is well aware of the possible problem, but expresses no fears. This reflects both their clean past history and the promise made by the state, referred to earlier, that disallowed costs would not be invoked based upon failure to match the youth expenditure requirement. The auditors were in the SDA as I passed through. It is too early to anticipate the results of that audit, but there has been no substantial problem at this SDA in the past and they are supremely confident. This extends also to the LEO Board. The outgoing Chairman appeared to begin to think about these issues as I quizzed him on the question of financial responsibility. They have not had problems in the past and do not anticipate problems in the future.

2. Please identify any other implementation issues in this SDA that might be important to this analysis. Please include anything that, in your judgment, should be included in future observations.